IN THE CLAIMS:

Cancel claims 1-10, 15-19, 22, 24-26,28, and 30-32.

Replace claims 29 and 33-35 with the corresponding amended claims:

29. (Amended) A pharmaceutical formulation, comprising therapeutically effective amounts of an IBAT inhibitor compound and a bile acid binder, wherein the bile acid binder is coating layered for targeted release of the bile acid binder in the colon.

33. (Amended) A pharmaceutical formulation, comprising therapeutically effective amounts of IBAT inhibitor compound and a bile acid binder, wherein the ~~formulation~~ is coating layered for targeted release of the IBAT inhibitor compound in the ileum and the bile acid binder in the colon.

34. (Amended) A method for the prophylactic or therapeutic treatment of a subject suffering from, or susceptible to hypercholesterolemia, wherein the method comprises administering to the subject a therapeutically effective amount of an IBAT inhibitor compound and a bile-acid binder, wherein the bile acid binder is administered for the prophylactic or therapeutic treatment of diarrhea during administration of the IBAT inhibitor.

35. (Amended) A method for the prophylactic or therapeutic treatment of a subject suffering from, or susceptible to, diarrhea during administration of an IBAT inhibitor compound, comprising administering to the subject a therapeutically effective amount of a bile acid binder, wherein the bile acid binder is coating layered for targeted release in the colon.

Add new claims 36-45:

36. (New) The pharmaceutical formulation according to claim 29 or 33, wherein the IBAT inhibitor compound is a low permeability drug as defined in the FDA Biopharmaceutical Classification System.

37. (New) The pharmaceutical formulation according to claim 29 or 33, wherein the bile acid binder is a resin.

7 38. (New) The pharmaceutical formulation according to claim 29 or 33, wherein the IBAT inhibitor compound and the bile acid binder are administered simultaneously, separately or sequentially.

8 39. (New) The pharmaceutical formulation according to claim 29 or 33, wherein the IBAT inhibitor compound comprises a benzothiazepine having IBAT inhibiting properties.

9 40. (New) The pharmaceutical formulation according to claim 39, wherein the benzothiazepine is 1,4-benzothiazepine or a 1,5-benzothiazepine.

C1 cancel 10 41. (New) The method according to claim 34 or 35, wherein the IBAT inhibitor compound is a low permeability drug as defined in the FDA Biopharmaceutical Classification System.

11 42. (New) The method according to claim 34 or 35, wherein the bile acid binder is a resin.

12 43. (New) The method according to claim 34 or 35, wherein the IBAT inhibitor compound and the bile acid binder are administered simultaneously, separately or sequentially.

13 44. (New) The method according to claim 34 or 35, wherein the IBAT inhibitor compound comprises a benzothiazepine having IBAT inhibiting properties.

14 45. (New) The method according to claim 44, wherein the benzothiazepine is 1,4-benzothiazepine or a 1,5-benzothiazepine.

REMARKS

I. Interview

On behalf of Applicants, the undersigned Attorney wishes to thank the Examiner for the courtesy of the telephone interview of January 15, 2002.

II. Claim Amendments

The Examiner is respectfully requested to exercise his discretion and enter the claim amendments as they are deemed to place the claims in better form for consideration.

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